

**COUNTY OF SAN MATEO**

**Anti-Drug Abuse Enforcement Program (Byrne NTF Grant)**

**Grant Contract No. DCO7180410**

**Grant Period: July 1, 2007 through June 30, 2008**

**STATEMENT OF GRANT REVENUES AND EXPENDITURES**

**With Auditor's Reports Thereon**

**San Mateo County**  
**Anti-Drug Abuse Enforcement Program (Byrne NTF Grant)**  
**For the Grant Period**  
**July 1, 2007 through June 30, 2008**

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## Office of Controller



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### Independent Auditor's Report

To the Board of Supervisors  
San Mateo County

We have audited the accompanying Statement of Grant Revenues and Expenditures of the San Mateo County (County) Anti-Drug Abuse Enforcement Program (Byrne NTF Grant) for the period July 1, 2007 through June 30, 2008 in accordance with the State of California Office of Emergency Services Grant Recipient Handbook. This statement is the responsibility of the County's management. Our responsibility is to express an opinion on the Statement of Grant Revenues and Expenditures based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement of Grant Revenues and Expenditures is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The accompanying Statement of Grant Revenues and Expenditures was prepared for the purpose of complying with the audit requirements of the State of California Office of Emergency Services Grant Recipient Handbook as described in Note 4 and is not intended to be a complete presentation of the County's revenues and expenditures.

In our opinion, the Statement of Grant Revenues and Expenditures referred to above presents fairly, in all material respects, the grant revenues and expenditures of the County Byrne NTF Grant in accordance with the State of California Office of Emergency Services Grant Recipient Handbook for the period July 1, 2007 through June 30, 2008 in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 26, 2009, on our consideration of the County Byrne NTF Grant's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

*County of San Mateo Controller*

Redwood City, California  
March 26, 2009

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**Report on Internal Control over Financial  
Reporting and on Compliance and Other Matters  
Based on an Audit of Financial Statements Performed  
In Accordance with *Government Auditing Standards***

To the Board of Supervisors  
San Mateo County

We have audited the Statement of Grant Revenues and Expenditures of the San Mateo County Anti-Drug Abuse Enforcement Program (Byrne NTF Grant) for the period July 1, 2007 through June 30, 2008 in accordance with the State of California Office of Emergency Services Grant Recipient Handbook, and have issued our report thereon dated March 26, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County Byrne NTF Grant's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the Statement of Grant Revenues and Expenditures, but not for the purposes of expressing an opinion on the effectiveness of the County Byrne NTF Grant's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County Byrne NTF Grant's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the County Byrne NTF Grant's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the County Byrne NTF Grant's Statement of Grant Revenues and Expenditures that is more than inconsequential will not be prevented or detected by the County Byrne NTF Grant's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in a more than remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the County Byrne NTF Grant's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County Byrne NTF Grant's Statement of Grant Revenues and Expenditures is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect

**San Mateo County**  
**Anti-Drug Abuse Enforcement Program (Byrne NTF Grant)**  
**Grant Contract No. DCO7180410**

**Statement of Grant Revenues and Expenditures**  
**For the Grant Period July 1, 2007 through June 30, 2008**

**Revenues**

State Funds (Note 2)	\$ 290,629	
Total Revenues		<u>290,629</u>

**Expenditures (Note 8)**

Personal Services	147,389	
Operating Expenditures	55,409	
Equipment	<u>87,831</u>	
Total Expenditures		<u>290,629</u>

<b>Excess of Revenues Over Expenditures</b>	<u><u>\$ -</u></u>
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The accompanying notes are an integral part of this statement.

**San Mateo County – Anti-Drug Abuse Enforcement Program (Byrne NTF Grant)**

**Grant Contract No. DCO7180410**

**Notes to Statement of Grant Revenues and Expenditures**

**July 1, 2007 through June 30, 2008**

**1. General Program Information**

The Anti-Drug Abuse Enforcement Program funds grant recipients in each of California's 58 counties to combat drug abuse and associated violence through the Federal Bureau of Justice Assistance, Edward Byrne Memorial State and Local Law Enforcement Assistance Formula Block Grant Program (Program). The Program allows flexibility in determining appropriate strategies and outcome measures at the local level to address their unique drug and violent crime problems accordingly.

The San Mateo County (County) Anti-Drug Abuse Enforcement Program (Byrne NTF Grant) was established in 2003. The goal of the program is the continued unification and collaboration efforts of City, County, State and Federal Law Enforcement agencies in the investigation, apprehension and arrest of narcotic offenders.

**2. Description of Grant**

The California Governor's Office of Emergency Services (OES) awarded \$290,654 to San Mateo County. In accordance with federal law, funds for the Byrne NTF Grant were only used to develop a comprehensive plan detailing current problems, efforts, and projected resources needed to address the illegal drug and violence problems in San Mateo County communities and to fund personnel, operating and equipment expenditures for the Program.

As of June 30, 2008, Program funds expended for the Byrne NTF Grant totaled \$290,629. The remaining \$25 of awarded funds was unspent by the County. About sixty-six percent of the total spent was reimbursed from the OES as of June 30, 2008. The remaining balance of \$100,188 was reimbursed after the fiscal year-end.

**3. The County's Reporting Structure**

Accounts of the County are organized on the basis of funds. A fund is defined as an independent accounting entity with self-balancing set of accounts, which are segregated for the purpose of carrying on specific activities.

Components of the reporting structure applicable to the transactions under the grant contract:

Governmental funds

Governmental funds use the current financial resources measurement focus. The measurement focus is based upon spending or funds flow and determination of changes in fund balance.

**4. Basis of Financial Statement Presentation**

The *Statement of Grant Revenues and Expenditures* was prepared for the purpose of complying with the audit requirements of the State of California Office of Emergency Services Grant Recipient Handbook (2008 Revision) and is not intended to be a complete presentation of the County's revenues and expenditures. Only revenues and expenditures related to Byrne NTF Grant are included.

**San Mateo County – Anti-Drug Abuse Enforcement Program (Byrne NTF Grant)**  
**Grant Contract No. DCO7180410**  
**Notes to Statement of Grant Revenues and Expenditures**  
**July 1, 2007 through June 30, 2008**

**5. Basis of Accounting**

Basis of accounting refers to the timing of recognizing revenues and expenditures/expenses in an account and when to report them in the financial statements, regardless of the measurement focus applied.

The modified accrual basis of accounting is used to record grant revenues and expenditures. Revenues are recognized in the accounting period in which they become both available and measurable (flow of current financial resources measurement focus). Expenditures are recognized in the accounting period in which the liability is incurred.

**6. Grant Award Modifications**

The Byrne NTF Grant Award Agreement was amended on September 14, 2007 to increase the Federal award amount by \$87,856, increasing the total award from \$202,798 to \$290,654. The Byrne NTF Grant was also modified on June 9, 2008 to re-allocate expenditures between budget categories.

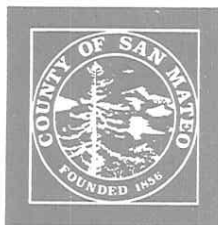
**7. Grant Revenues**

Grant revenues reported for the fiscal year include \$100,188 reimbursed from OES after year-end, as explained in Note 2 above.

**8. Grant Expenditures**

Total grant expenditures for the fiscal year amounted to \$290,629 and comprised of personal services of \$147,389, operating expenditures of \$55,409 and equipment of \$87,831.

Office of Controller



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March 27, 2009

Local Assistance Monitoring Branch  
California Emergency Management Agency  
3650 Schriever Avenue  
Mather, CA 95655

To whom it may concern:

Attached, please find the audit report for San Mateo County Anti-Drug Abuse Enforcement Program (Byrne NTF Grant) for the period July 1, 2007 through June 30, 2008. This report is submitted to you in accordance with the requirements of the 2008 OES Grant Recipient Handbook, Section 8221.

Sincerely,

  
Ramen Prasad,  
Audit Manager

DATE RECEIVED:



AUDIT REVIEW #(s) 04565

Assigned To: Ryan

Date Reviewed: 7/6/09

Reviewer's Initials: gr

Date Review(s) Completed: 7/6/09